

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ARIZONA CORPORATION COMMISSION
C.A. 1997

APR 08 2002

Director of Utilities

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

C

W-03510A
CIRCLE CITY WATER COMPANY, L.L.C.
P. O. BOX 82218
BAKERSFIELD CA 93380-0000

ANNUAL REPORT

FOR YEAR ENDING

12	31	2001
----	----	------

FOR COMMISSION USE

ANN04	01
-------	----

Processed by:

4-10-02 cmc

SCANNED

COMPANY INFORMATION

Company Name (Business Name) CIRCLE CITY WATER COMPANY, LLC

Mailing Address P.O. BOX 82218
(Street)

BAKERSFIELD

CA

93380

(City)

(State)

(Zip)

(661) 633-7526

(800) 270-6084

(602) 601-5691

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address rth@brookeutilities.com

Local Office Mailing Address P.O. BOX 82218
(Street)

BAKERSFIELD

CA

93380

(City)

(State)

(Zip)

(661) 633-7526

(800) 270-6084

(602) 601-5691

Local Office Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address rth@brookeutilities.com

MANAGEMENT INFORMATION

Management Contact: ROBERT T. HARDCASTLE MANAGER
(Name) (Title)

P.O. BOX 82218

BAKERSFIELD

CA

93380

(Street)

(City)

(State)

(Zip)

(661) 633 - 7526

(800) 270-6084

(602) 601-5691

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address rth@brookeutilities.com

On Site Manager: FIRST NATIONAL MANAGEMENT INC

(Name)

P.O. BOX 2899

GILBERT

AZ

85299-2899

(Street)

(City)

(State)

(Zip)

(602) 632-6170

(602) 632-6171

N/A

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address N/A

Statutory Agent: <u>ROBERT T. HARDCASTLE</u>			
(Name)			
<u>P.O. BOX 82218</u>	<u>BAKERSFIELD</u>	<u>CA</u>	<u>93380</u>
(Street)	(City)	(State)	(Zip)
<u>(661) 633-7526</u>	<u>(800) 270-6084</u>	<u>(602) 601-5691</u>	
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
Attorney: <u>JAY SHAPIRO @ SENNMORE CRAIG</u>			
(Name)			
<u>3003 N. CENTRAL AVE., SUITE 2600,</u>	<u>PHOENIX</u>	<u>AZ</u>	<u>85012-2913</u>
(Street)	(City)	(State)	(Zip)
<u>(602) 916-5366</u>	<u>(602) 916-5566</u>	<u>N/A</u>	
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	

OWNERSHIP INFORMATION

Check the following box that applies to your company:

- | | |
|---|---|
| <input type="checkbox"/> Sole Proprietor (S) | <input type="checkbox"/> C Corporation (C) (Other than Association/Co-op) |
| <input type="checkbox"/> Partnership (P) | <input type="checkbox"/> Subchapter S Corporation (Z) |
| <input type="checkbox"/> Bankruptcy (B) | <input type="checkbox"/> Association/Co op (A) |
| <input type="checkbox"/> Receivership (R) | <input checked="" type="checkbox"/> Limited Liability Company |
| <input type="checkbox"/> Other (Describe) _____ | |

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

- | | | |
|-------------------------------------|--|-----------------------------------|
| <input type="checkbox"/> APACHE | <input type="checkbox"/> COCHISE | <input type="checkbox"/> COCONINO |
| <input type="checkbox"/> GILA | <input type="checkbox"/> GRAHAM | <input type="checkbox"/> GREENLEE |
| <input type="checkbox"/> LA PAZ | <input checked="" type="checkbox"/> MARICOPA | <input type="checkbox"/> MOHAVE |
| <input type="checkbox"/> NAVAJO | <input type="checkbox"/> PIMA | <input type="checkbox"/> PINAL |
| <input type="checkbox"/> SANTA CRUZ | <input type="checkbox"/> YAVAPAI | <input type="checkbox"/> YUMA |
| <input type="checkbox"/> STATEWIDE | | |

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization			
302	Franchises			
303	Land and Land Rights	7,928	0	7,928
304	Structures and Improvements	28,011	7,518	20,493
307	Wells and Springs			
311	Pumping Equipment	13,842	1,978	11,864
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes			
331	Transmission and Distribution Mains	31,163	11,818	19,345
333	Services			
334	Meters and Meter Installations	15,920	2,225	13,695
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	96,864	23,539	73,325

This amount goes on the Balance Sheet Acct. No. 108

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization			
302	Franchises			
303	Land and Land Rights	7,928	0.00%	0
304	Structures and Improvements	28,011	4.59%	1,285
307	Wells and Springs			
311	Pumping Equipment	13,842	14.29%	1,978
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes			
331	Transmission and Distribution Mains	31,163	5.03%	1,569
333	Services			
334	Meters and Meter Installations	15,920	4.23%	674
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	96,864	5.68%	5,506

This amount goes on Comparative Statement of Income and Expense Acct. No. 403.

COMPANY NAME: CIRCLE CITY WATER LLC

BALANCE SHEET

Acct. No.	ASSETS	BALANCE AT BEGINNING OF YEAR	BALANCE AT at End of Year
	CURRENT AND ACCRUED ASSETS		
131	Cash		
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	1,709	1,384
146	Notes/Receivables from Associated Company		
151	Plant Materials and Supplies		
162	Prepayments	84,538	84,538
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 86,247	\$ 85,922
	FIXED ASSETS		
101	Utility Plant in Service	\$ 83,022	\$ 96,864
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation - Utility Plant	(18,033)	(23,539)
121	Not-Utility Property		
122	Accumulated Depreciation - Non Utility		
	TOTAL FIXED ASSETS	\$ 64,989	\$ 73,325
	DEFERRED INCOME TAX DEBITS		
	TOTAL ASSETS	\$ 151,236	\$ 159,247

COMPANY NAME: CIRCLE CITY WATER LLC

BALANCE SHEET (CONTINUED)

Acct. No.	LIABILITIES	BALANCE AT BEGINNING OF YEAR	BALANCE AT at End of Year
	CURRENT LIABILITIES		
231	Accounts Payable	\$ 254	\$ 529
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Company	1,740,877	1,931,346
235	Customer Deposits	4,210	4,290
236	Accrued Taxes	689	835
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	TOTAL CURRENT LIABILITIES	\$ 1,746,030	\$ 1,937,000
	LONG-TERM DEBT (Over 12 Months)		
224	Long-term Notes and Bonds	\$ -	\$ -
	Deferred Credits		
251	Unamortized Premium on Debt		
	Refundable Meter Advances	\$ 5,132	\$ 4,978
252	Advances in Aid of Construction	31,402	16,530
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction	6,004	6,004
272	Less: Amortization of Contributions	(2,602)	(3,202)
281	Accumulated Deferred Income Taxes		
	TOTAL DEFERRED CREDITS	\$ 39,936	\$ 24,310
	TOTAL LIABILITIES	\$ 1,785,966	\$ 1,961,310
	CAPITAL ACCOUNTS		
201	Common Stock Issued		
211	Paid In Capital in Excess of Par Value		
215	Retained Earnings		
218	Proprietary Capital (Sole Props & Partnerships)	(1,634,730)	(1,802,063)
	TOTAL CAPITAL	\$ (1,634,730)	\$ (1,802,063)
	TOTAL LIABILITIES AND CAPITAL	\$ 151,236	\$ 159,247

COMPANY NAME: CIRCLE CITY WATER LLC

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 64,177	\$ 65,177
460	Unmetered Water Revenue		
474	Other Water Revenues	810	
	TOTAL REVENUES	\$ 64,987	\$ 65,177
	OPERATING EXPENSES		
601	Salaries and Wages	\$ 1,319	\$ 4,215
610	Purchased Water	\$ 238,921	\$ 169,076
615	Purchased Power	\$ 14,267	\$ 15,532
618	Chemicals		
620	Repairs & Maintenance	\$ 1,897	\$ 2,424
621	Office Supplies and Expense		
630	Outside Services	\$ 12,800	\$ 21,426
635	Water Testing		\$ 1,293
641	Rents		
650	Transportation Expenses		
657	Insurance - General Liability		
659	Insurance - Health and Life		760
666	Regulatory Commission Expense - Rate Case		
675	Miscellaneous Expense	7,449	6,725
403	Depreciation Expense	6,894	5,506
408	Taxes Other Than Income	3,545	3,835
408.11	Property Taxes	1,333	1,669
409	Income Tax		
	TOTAL OPERATING EXPENSES	\$ 288,425	\$ 232,461
	OTHER INCOME/EXPENSE		
419	Interest and Dividend Income	\$ -	\$ -
421	Non-Utility Income	2,000	
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense	(84)	(49)
	TOTAL OTHER INCOME/EXPENSE	\$ 1,916	\$ (49)
	NET INCOME/(LOSS)	\$ (221,522)	\$ (167,333)

COMPANY NAME

CIRCLE CITY WATER LLC

SUPPLEMENTAL FINANCIAL DATA**Long-Term Debt**

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate				
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End

\$ 4,978

Meter Deposits Refunded During the Test Year

\$ 1,429

COMPANY NAME

Circle City Water Co., L.L.C.

WATER COMPANY PLANT DESCRIPTION**WELLS**

ADWR ID Number	Pump Horsepower	Pump Yield (Gpm)	Casing Size (inches)	Meter Size (inches)
55-625088	5/5	120/130	8"	3"

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
None		

TOTAL GALLONS PUMPED (NOT SOLD) THIS YEAR (thous.) = 20,647

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
10	2	None	None

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
50,000	1	5,000	1

STATISTICAL INFORMATION

Total number of customers 165

Total number of gallons sold 20,087,515 gallons

COMPANY NAME CIRCLE CITY WATER LLC

YEAR ENDING 12/31/2001

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported	<u>(167,333)</u>
Estimated or Actual Federal Tax Liability	<u>0</u>

State Taxable Income Reported	<u>(167,333)</u>
Estimated or Actual State Tax Liability	<u>0</u>

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances	<u>0</u>
Amount of Gross-Up Tax Collected	<u>0</u>
Total Grossed-Up Contributions/Advances	<u>0</u>

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.



SIGNATUREAPRIL 5, 2002
_____**DATE**ROBERT T. HARDCASTLE
_____**PRINTED NAME**MANAGING MEMBER
_____**TITLE**

COMPANY NAME CIRCLE CITY WATER LLC YEAR ENDING 12/31/2001

**WATER AND SEWER
UTILITIES ONLY**

PROPERTY TAXES

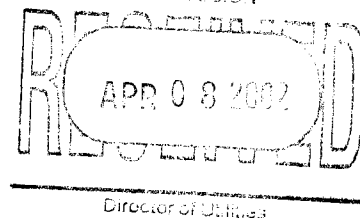
Indicate the amount of actual property taxes paid during this reporting period (Calendar Year 2001)

\$ 1,523.98

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled Checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain reasons below:

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

**VERIFICATION**STATE OF CALIFORNIA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)

KERN

NAME (OWNER OR OFFICIAL) TITLE

ROBERT T. HARDCASTLE, MANAGER

COMPANY NAME

CIRCLE CITY WATER LLC**DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION****FOR THE YEAR ENDING**

MONTH

DAY

YEAR

12312001

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2001 WAS:

Arizona IntraState Gross Operating Revenues Only (\$)

\$ 65,177

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 3,835
IN SALES TAXES BILLED, OR COLLECTED

****REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

Seal attached

DAY OF

(SEAL)

MY COMMISSION EXPIRES _____

SIGNATURE OF OWNER OR OFFICIAL

(661) 633-7526

TELEPHONE NUMBER

COUNTY NAME

MONTH

20

SIGNATURE OF NOTARY PUBLIC

STATE OF CALIFORNIA)
 : ss
COUNTY OF KERN)

"Subscribed and sworn to before me, Cat Fellabaum, Notary Public,
on this 5th day of April, 2002."

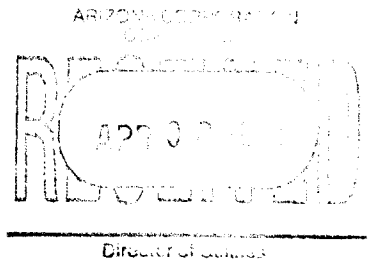
Witness my hand and official seal.



Cat Fellabaum
Notary Public in and for said State.

Document: Utilities Division Annual Report, Calendar Year ending December 31,
2001. Verification and sworn statement for Circle City Water Company.

**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY**



VERIFICATION

STATE OF CALIFORNIA

I, THE UNDERSIGNED

OF THE

(COUNTY NAME) KERN	
NAME (OWNER OR OFFICIAL) ROBERT T. HARDCASTLE	TITLE MANAGER
COMPANY NAME CIECLE CITY WATER LLC	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2001

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

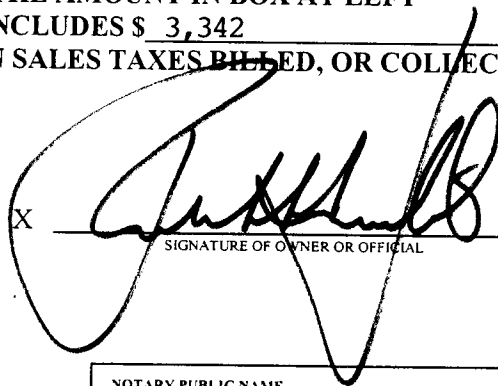
SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2001 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES
\$ 54,855

(THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 3,342
IN SALES TAXES BILLED, OR COLLECTED

*RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.

X 
SIGNATURE OF OWNER OR OFFICIAL

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

See attached
DAY 

(SEAL)

MY COMMISSION EXPIRES

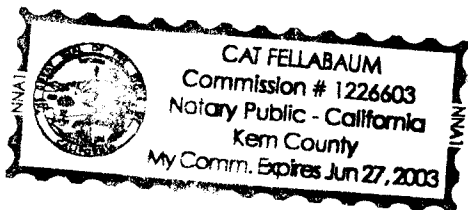
NOTARY PUBLIC NAME	
COUNTY NAME	
MONTH	20

X _____
SIGNATURE OF NOTARY PUBLIC

STATE OF CALIFORNIA)
 : ss
COUNTY OF KERN)

"Subscribed and sworn to before me, Cat Fellabaum, Notary Public,
on this 5th day of April, 2002."

Witness my hand and official seal.



Cat Fellabaum
Notary Public in and for said State.

Document: Utilities Division Annual Report, Calendar Year ending December 31,
2001. Verification and sworn statement for Circle City Water Company.



Circle City Water Company, L.L.C.
P.O. Box 82218
Bakersfield, CA 93380-2218

BANK OF AMERICA
1440 TRUXTON AVENUE
BAKERSFIELD, CA 93301

05381

16-66
1220

CHECK NO.

***** Six Hundred Eighty-Nine and 31/100 *****

DATE

Feb 20 01

AMOUNT

\$689.31

MARICOPA COUNTY TREASURER
DOUG TODD
P.O. BOX 78574
PHOENIX, AZ 85062-8574

⑈005381⑈ ⑈2200068931⑈ ⑈14764⑈ ⑈01495⑈ ⑈0000068931⑈

02/26/01
122000661 06

40037075

122102237

CREDIT TO A/C OF
NAMED PAYEE WITH
OUT PRESENCE
AGENCY OF FUNDING
MONTICELLO 4051
DANIELLE A. A. A.

122102237

022301 054 009 305 307 1 61137506 4 0245022301

FB M 23

122100004

SIGN BELOW THIS LINE
IN JUDICIAL USE

022301 054 009 305 307 1 61137506 4 0245022301

05683



Circle City Water Company, L.L.C.
P.O. Box 82218
Bakersfield, CA 93380-2218

BANK OF AMERICA
1440 TRUXTON AVENUE
BAKERSFIELD, CA 93301

16-66
1220

CHECK NO.

***** Eight Hundred Thirty-Four and 67/100 *****

DATE

AMOUNT

Oct 23 01

\$834.67

MARICOPA COUNTY TREASURER
DOUG TODD
P.O. BOX 78574
PHOENIX, AZ 85062-8574



⑈005683⑈ ⑆122000661⑆ 14764⑈0⑈475⑈ ⑈00000083467⑈

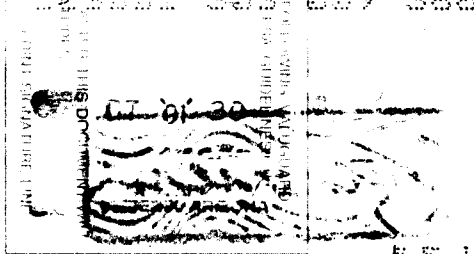
PAY
TO THE
ORDER
OF

10/31/01
122000661 06

7160245207

CREDIT TO ACCT OF
NAMED PAYEE WITH-
OUT PREJUDICE
ABSENCE OF ENDORSE-
MENT GUARANTEED BY
BANK ONE AZ NA

193231 353 087 386 392 1 61137506 4 4078125021



15 1 700 546